

## Message Text

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TAGS: PFOR, ETRD, BU OVIP (POPOV, IVAN) (PANTOS, GEORGE J.)

REF: A. SOFIA 1594; B. SOFIA 1598; C. SOFIA 1597

1. PARTICIPATION OF DEPUTY UNDER SECRETARY OF COMMERCE GEORGE J. PANTOS AS AMERICAN VIP SPEAKER AT PLOVDIV "AMERICA DAY" NOT ONLY HELPED TO ACHIEVE THE PURPOSES OF OUR PAVILION AT THE FAIR BUT PROVED A POLITICAL EVENT OF SOME SIGNIFICANCE. HIS ADROIT HANDLING OF CONVERSATIONS WITH LEADING BULGARIAN OFFICIALS ALSO HELPED ADVANCE OUR GENERAL OBJECTIVES IN BULGARIA.

2. WE HAVE ALREADY REPORTED REF B THAT VICE PREMIER POPOV CAME TO PLOVDIV ESPECIALLY TO GREET MR. PANTOS AND MAKE PUBLIC BULGARIAN REPLY. IMPORTANT THAT HE ALSO BROUGHT SIZEABLE ENTOURAGE INCLUDING OFFICIALS WHO WERE READY TO TALK BUSINESS WITH AMERICAN EXHIBITORS. IN ADDITION TO CERTAIN GENERALITIES ABOUT US-BULGARIAN TRADE, NOTEWORTHY POINTS WERE (A) PERSONAL TRIBUTE HE PAID TO SECRETARY DENT; (B) REFERENCE TO MFN AS "DECISIVE" FOR NORMAL DEVELOPMENT OF TRADE AND ECONOMIC RELATIONS; (C) INVOLVED PHRASEOLOGY WHEREBY HE HELD OUT PROSPECT OF SUBSTANTIAL BULGARIAN PURCHASES DURING HIS FORTHCOMING VISIT TO US, COUPLED WITH NEED TO DEVELOP POSSIBILITIES FOR BULGARIAN SALES IN OUR MARKET "AND ABOVE ALL COOPERATION AND LONG-TERM COLLABORATION" (WHICH MEANS INDUSTRY-TO-INDUSTRY AGREEMENTS INVOLVING LICENSING, MARKET SHARING AND IN LIMITED OFFICIAL USE  
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SOME CASES BARTER).

3. THERE WERE A NUMBER OF FAVORABLE COMMENTS ON OUR PAVILION, WHICH REPRESENTS AN OPTIMUM BLEND BETWEEN USIA AND COMMERCE INTERESTS. NOT ONLY POPOV BUT OTHER BULGARIAN OFFICIALS REMARKED THAT WE HAVE FINALLY FOUND THE MOST EFFECTIVE WAY TO TELL OUR STORY. (LUKANOV EVEN POINTED OUT THAT "IN THIS MANNER" BULGARIAN OFFICIALS CANNOT OBJECT TO EXHIBITS OF THE AMERICAN WAY OF LIFE SINCE THEY ARE KEYED TO OFFERS TO SELL PRODUCTS THAT THE BULGARIANS NEED.) DEPUTY MINISTER OF AGRICULTURE DZHAMBOV SAID: "I BELIEVE IN THIS ATMOSPHERE AND WITH THIS KIND OF PARTICIPATION IN THE FAIR IT WILL BE POSSIBLE" (TO AWARD A SIZEABLE CONTRACT TO ONE EXHIBITOR). THE VISIT OF MR. PANTOS CONTRIBUTED THAT THAT ATMOSPHERE.

4. IN HIS TALK WITH POPOV IN SOFIA SEPT 7 MR. PANTOS FOLLOWED UP ON SUCH REMARKS BY EXPRESSING HOPE THAT DEALS WILL BE ACTUALLY CONSUMMATED. HE EMPHASIZED THE IMPORTANCE OF PUBLIC OPINION IN POSITIVE DEVELOPMENT OF US-BULGARIAN RELATIONS, THAT GOQLCZMENTS CAN HELP CREATE CLIMATE BUT THEN IT IS UP TO BUSINESSMEN. REFERRING TO INDIRECT BULGARIAN PRESSURE FOR "INDUSTRIAL COOPERATION" ARRANGEMENTS, HE SAID DIRECT SALES HELP TO CREATE ATMOSPHERE IN WHICH SUCH ARRANGEMENTS MIGHT EVENTUATE AT LATER STAGE.

5. POPOV ON HIS PART SAID BULGARIA WOULD LIKE TO GO INTO LARGE-SCALE ARRANGEMENTS WITH US, FOR INSTANCE IN CONNECTION WITH THIRD METALLURGICAL COMPLEX WITH EVENTUAL CAPACITY OF 12 MILLION TONS STEEL, BUT TO ALLOW BULGARIA TO PAY THERE WOULD HAVE TO BE OPENING TO ITS IMPORTS (MFN) AND CREDITS "EITHER FROM USG OR FROM PRIVATE SECTOR FOR GOB GUARANTEE".SKHE MENTIONED THAT CONTACTS REGARDING STEEL MILL ARE NOT ONLY WITH KAISER BUT ALSO WITH US STEEL. CHEMICAL INDUSTRY WAS ALSO MENTIONED AS AREA FOR LARGE-SCALE COOPERATION. DIRECT CONTACTS BETWEEN US AND BULGARIAN CHAMBERS OF COMMERCE WILL HELP, BUT THESE NEED TO BE INSTITUTIONALIZED. HE ENVISAGED SPECIALIZED GROUPS DEALING WITH COOPERATION IN ELECTRONICS, TRANSPORTATION, MACHINE BUILDING, ELECTRICAL APPLIANCES, ETC. "THAT IS THE WAY THE JAPANESE ARE DOING BUSINESS WITH US", HE SAID, AND POINTED TO FORTHCOMING VISIT OF GROUP OF 50 JAPANESE BUSINESSMEN.

6. MR PANTOS ALSO DEVELOPED USEFUL DIALOGUE ON SCHEDULES OF POPOV VISIT. POPOV EXPRESSED CONCERN THAT APPOINTMENTS WITH LIMITED OFFICIAL USE  
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SECRETARY SIMON AND CHAIRMAN CASEY DO NOT YET APPEAR TO BE FIRM, AND ASKED THIS CONCERN TO BE REPORTED PERSONALLY TO SECRETARY DENT. THERE WAS ALSO USEFUL DISCUSSION OF NON-OFFICIAL PORTION OF VISIT.

7. IN CONVERSATION WITH MINISTER OF COMMERCE NEDEV THERE WAS EVEN CLEARER EXPRESSION OF SATISFACTION OVER WISDOM AND COURTESY OF US RESPONDING TO PRESIDENT ZHIVKOV'S WISH TO SEE AMERICAN EQUIPMENT FOR SALE AT THE PLOVDIV FAIR. NEDEV SENT RMEETING TO SECRETARY DENT WHOSE VISIT HE CREDITED WITH THIS POSITIVE DEVELOPMENT. HE ASKED TO HAVE HIS WARM PERSONAL REGARDS CONVEYED TO SECRETARY AND

MRS. DENT AND SAID GOB REGARDS THE POPOV VISIT AS PADING TONBZDIRECT PURCHASES IN THE US OF EQUIPMENT WHICH UP TO NOW WE HAVE BEEN BUYING FROM WEST EUROPEAN SUPPLIERS BUT WHICH REALLY EMBODY US TECHNOLOGY". MR. PANTOS USEFULLY REMARKED THAT AMERICAN BUSINESS WILL INCREASINGLY COME TO BULGARIA AS AMERICAN PUBLIC AND CONGRESSIONAL OPINION APPRECIATES THAT CLIMATE BETWEEN KE TWO COUNTRIES IS ACTUALLY IMPROVING, NOT ONLY IN TRADE BUT ACROSS THE BOARD: "THE LINK BETWEEN ECONOMIC AND POLITICAL AFFAIRS IS THUS A VERY IMPORTANT PART OF THE EVOLUTION OF ATTITUDES IN OUR COUNTRWIZM COMPETITION FOR SCARCE CAPITAL RESOURCES ALSO REQUIRES THAT CONDITIONS FOR AMERICAN TRADE AND INVESTMENTS BE MADE SUFFICIENTLY ATTRACTIVE, FOR INSTANCE BY PROVIDING FACILITIES FOR AMERICAN BUSINESSMEN.

8. ALL IN ALL, THE VISIT OF DEPUTY UNDER SECRETARY PANTOS HELPED SIGNIFICANTLY IN THEDEVELOPING DIALOGUE BETWEEN US AND BULGARIA AND IN OUR JUDGMENT ASSISTED IN ACHIEVEMENT OF OUR OVERALL OBJECTIVES, AS REFLECTED ALSO IN MY CONVERSATION LATER ON SEPT 7 WITH FOREIGN MINISTEJVMLADENOV (REF B) IN WHICH NUMBER OF PENDING ISSUES WERE MOVED TOWARD RESOLUTION.

9. PLEASE BRING TO SECRETARY DENT'S SPECIAL ATTENTION PARA 6 ABOVE.  
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## Message Attributes

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